

**THE ROMAN CATHOLIC ARCHDIOCESE  
OF ST ANDREWS AND EDINBURGH**

**ANNUAL REPORT and ACCOUNTS**

**For the year ended 31 December 2013**

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# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## TRUSTEES' REPORT 2013

### Reference & Administrative Details

The Roman Catholic Archdiocese of St Andrews & Edinburgh ("the Archdiocese") was established by the Apostolic Letter "Ex Supremo" of Pope Leo XIII dated 4 March 1878, being the date of the restoration of the Roman Catholic Hierarchy, which had been extinct since 1603.

#### **Trustees**

The Most Reverend Leo Cushley was nominated Archbishop and Metropolitan of St Andrews & Edinburgh by His Holiness Pope Francis on 24 July 2013 and installed as Archbishop on 21 September 2013 when ordained by His Eminence James Michael Cardinal Harvey.

The Most Reverend Leo Cushley assumed the office of Trustee, *ex officio*, upon his installation.

Prior to this, the Archdiocese was in a period of interim governance known as *sede vacante* from 25 February 2013 to 21 September 2013 following the resignation of His Eminence Keith Patrick Cardinal O'Brien being definitively accepted by Pope Benedict XVI on 25 February 2013.

Prior to 25 February 2013, His Eminence Keith Patrick O'Brien, as Archbishop, assumed the office of Trustee, *ex officio*.

For the interim period of *sede vacante*, Pope Benedict XVI provided for the stable governance of the Archdiocese with the nomination of an Apostolic Administrator, the Most Reverend Philip Tartaglia, Archbishop and Metropolitan of Glasgow, on 27 February 2013. The Apostolic Administrator's decree of nomination supplied him with the rights, offices and faculties of a diocesan bishop, within the norms of canon law. In the day to day governance of the Archdiocese, the Apostolic Administrator named the Right Reverend Stephen Robson, Titular Bishop of Tunnuna, as his Delegate, to assist him in a way analogous to a Vicar General. The Apostolic Administrator named Monsignor Alistair Canon Lawson and Monsignor Philip Kerr as Delegates to assist him and the Right Reverend Stephen Robson in the governance of the Archdiocese. The Apostolic Administrator delegated power to his Delegates as the need arose. During the time of *sede vacante*, the offices of Vicar General, which assist an Archbishop in his governance of the Archdiocese, ceased.

The Most Reverend Philip Tartaglia, as the Apostolic Administrator, assumed the office of Trustee, *ex officio*, during the period of *sede vacante*. In addition to himself, the Most Reverend Philip Tartaglia, as Apostolic Administrator, appointed the following people as charity trustees of the Roman Catholic Archdiocese of St Andrews and Edinburgh on 24 April 2013.

<b>Name</b>	<b>Position</b>	<b>Appointed by</b>
Most Reverend Philip Archbishop Tartaglia	Trustee	<i>ex officio</i>
Right Reverend Stephen Robson	Trustee	Apostolic Administrator
Monsignor Alistair Canon Lawson	Trustee	Apostolic Administrator
Monsignor Philip Kerr	Trustee	Apostolic Administrator
Helen Gardner-Swift	Trustee	Apostolic Administrator

The Most Reverend Philip Tartaglia relinquished the position of Apostolic Administrator on 21 September 2013.

With effect from 21 September 2013, Archbishop Cushley appointed as Vicars General to assist him in the governance of the Archdiocese, the Right Reverend Stephen Robson, Titular Bishop of Tunnuna, Auxiliary Bishop of the Archdiocese, the Right Reverend Monsignor Alistair Canon Lawson and the Right Reverend Monsignor Philip Kerr.

With effect from 21 September 2013 Archbishop Cushley appointed the Vicars General and Mrs Helen Gardner-Swift as Trustees.

On 11 December 2013 the Right Reverend Stephen Robson was appointed Bishop of Dunkeld by His Holiness Pope Francis and installed as Bishop on 9 January 2014. Following his appointment Bishop Robson ceased to be Vicar General and Trustee of the Archdiocese.

On 18 December 2013 Archbishop Cushley appointed Monsignor Patrick Burke as Vicar General and Trustee.

# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## TRUSTEES' REPORT 2013

### Reference & Administrative Details (contd.)

The Trustees of the Archdiocese during the year ended 31 December 2013 were:-

<b>Name</b>	<b>Position</b>	<b>Appointed by</b>
Most Reverend Leo Archbishop Cushley (appointed 21 September 2013)	Trustee	<i>ex officio</i>
Most Reverend Philip Archbishop Tartaglia (appointed 27 February 2013, resigned 21 September 2013)	Trustee	<i>ex officio</i>
His Eminence Keith Patrick O'Brien (resigned 25 February 2013)	Trustee	<i>ex officio</i>
Bishop Stephen Robson (appointed 24 April 2013, resigned 1 January 2014)	Trustee	Archbishop
Monsignor Alistair Canon Lawson	Trustee	Archbishop
Monsignor Philip J Kerr	Trustee	Archbishop
Monsignor Patrick Burke (appointed 18 December 2013)	Trustee	Archbishop
Mrs Helen Gardner-Swift (appointed 24 April 2013, resigned 22 April 2014.)	Trustee	Archbishop

#### **Address**

The principal address of the Archdiocese is the location of its administrative offices.

Archdiocesan Offices  
Gillis Centre  
100 Strathearn Road  
Edinburgh, EH9 1BB

#### **Bankers**

Bank of Scotland  
The Mound  
Edinburgh  
EH1 1YB

Royal Bank of Scotland  
36 St Andrew Square  
Edinburgh  
EH2 2YB

#### **Solicitor**

Anderson Strathern LLP  
1 Rutland Court  
Edinburgh  
EH3 8EY

#### **Auditor**

Chiene + Tait  
Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh  
EH3 6NL

#### **Investment Advisors**

Brewin Dolphin Securities Ltd  
48 St Vincent Street  
Glasgow  
G2 5TS

Standard Life Wealth Ltd  
Standard Life House  
30 Lothian Road  
Edinburgh  
EH2 2DH

TRUSTEES' REPORT 2013

**Reference & Administrative Details (contd.)**

**Investment Advisors**

Investec Wealth Management Limited  
Forsyth House  
93 George Street  
Edinburgh  
EH2 3ES

**Scottish Charity Number:** SC008540

**Structure, Governance & Management**

**Organisational Structure**

During the year ended 31 December 2013 the Archdiocese comprised 105 parishes located in various cities, towns and villages throughout its boundaries. A Parish Priest, who is appointed by and is accountable to the Archbishop, is responsible, in terms of the Code of Canon Law, for a single or multiple Parishes. Parishes are grouped into Deaneries on a geographical basis. The Archbishop appoints one of the Parish Priests in each Deanery as Dean.

From 25 February 2013, when the Archdiocese entered a period of *sede vacante*, the offices of Vicar General and Vicar Episcopal ceased. Parish Priests during the period of *sede vacante* were accountable to the Apostolic Administrator.

From 21 September 2013, Parish Priests are accountable to Archbishop Cushley.

**Governance**

The Archdiocese utilises a committee structure to administer its affairs, with the Archbishop automatically a member of all committees. The following are the main committees used for administration purposes during the year ended 31 December 2013:

- College of Consultors
- Episcopal Council
- Council of Priests
- Finance Committee
- Property Committee
- Chapter of Canons

From 25 February 2013, when the Archdiocese entered a period of *sede vacante*, all committees formally ceased to exist with the exception of the College of Consultors and the Finance Committee. All committees were reinstated following the installation of Archbishop Cushley.

Other committees meet as delegated by the Trustees to assist them as required.

The Apostolic Administrator automatically became a member of all functioning committees from the date of his appointment on 27 February 2013.

Each Parish operates under the leadership of the Parish Priest. Canon Law dictates that each Parish must have a Finance Committee to advise and assist the Parish Priest with its governance.

**Management**

From 21 September 2013, Archbishop Cushley had overall responsibility for the management of the Archdiocese.

From 27 February 2013 to 21 September 2013 the Apostolic Administrator had overall responsibility for the management of the Archdiocese. Prior to this Cardinal Archbishop O'Brien had overall responsibility for the management of the Archdiocese.

On a day-to-day basis various senior managers administer the affairs of the Archdiocese.

## **Structure, Governance & Management (contd.)**

### **Induction & Training**

The Archdiocese has an ongoing policy for the training of its Trustees and Senior Managers. They are all kept fully informed of legislation changes which affect the charity. The emphasis is that the Senior Managers are continually trained and they in turn convey this training to the Trustees and staff.

### **Objectives & Activities**

#### **Objectives**

The objectives of the Archdiocese are: -

1. The advancement of the Roman Catholic Religion.
2. The advancement of education.
3. The relief of poverty.
4. The cure or alleviation of human sickness or disease.

#### **Activities**

In order to achieve the objectives of the Archdiocese, each parish uses its own resources with guidance from the Archbishop, and his advisors. Support is also provided by the agencies and commissions of the Archdiocese.

In the current climate with falling numbers of clergy and religious orders, there has been an increase in the number of paid employees in recent years. However, throughout the Archdiocese, there are many unpaid volunteers who occupy various positions to promote its objectives.

Where possible, it is Archdiocesan policy to provide funding and expertise so that the social and pastoral services required in the parish can be provided.

### **Achievements & Performance**

It is very difficult for a religious charity to assess its achievements and performances as there are no practical indicators and measures to use. The only relevant measure is the number of souls saved and that is an immeasurable statistic.

In previous years, a pastoral plan for the Archdiocese called "Now is the favourable time" was produced which attempted to address the falling numbers of clergy and religious persons in the Archdiocese by clustering parishes and revising Deanery boundaries. During the period of *sede vacante* no further consultation or development of the pastoral plan took place.

Since the installation of Archbishop Cushley, a period of time is being taken to review the various structures, governance and management of the Archdiocese, following on from which the pastoral plan for the Archdiocese will be reviewed.

### **Financial Review**

#### **Financial**

The year of 2013 resulted in an overall movement on funds of £1,217k. This includes a net deficit for the year of £48k, and unrealised investment gains of £1,193k and unrealised gains on the revaluation of properties of £72k.

Incoming resources have decreased by £753k due to a decrease in voluntary income of £585k. The reduction in voluntary income is due largely to decreases in donations and legacies received, as well as a decrease in offertory collections and gift aid. Incoming resources from charitable activities have decreased by £160k, primarily due to a one off recognition of insurance income at Mount Vernon in the prior year.

# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## TRUSTEES' REPORT 2013

### Financial Review (contd.)

Expenditure in 2013 increased by £144k primarily due to the loss of £279k incurred on the disposal of two properties which had fallen into a dilapidated condition. This loss was offset by a reduction in Mount Vernon cemetery costs as a result of lower repair and renovation costs in the year following the high level of refurbishment and repairs required in 2012 as a result of damage caused by a fire.

The property portfolio was independently valued by Ryden LLP, Chartered Surveyors as at 31 December 2013 for impairment review purposes and to inform the Trustees on current values. In the course of conducting the valuation of investment and heritable properties a number of properties were identified that were not previously recognised in the Annual Report and Accounts. These properties have been recognised for the first time in the Accounts for the year ended 31 December as a prior year adjustment. The prior year adjustment in total amounts to £1,783k.

The Archdiocese remains extremely grateful to the number of parishes who generously provide loans (often interest free). A small number of parish loans provided to the Archdiocese were reclassified as long term loans during 2013, which greatly assists the Curia in managing its cashflows and working capital requirements.

### **Developments**

The project to demolish and rebuild the parish hall at St. Patrick's, Kilsyth was completed during 2013. No other major projects were undertaken during the year.

A number of small and medium sized repair and maintenance projects were carried out during the year.

As with prior years, a number of capital projects have been put on hold until there is an upturn in the income and cash-flow streams of the Archdiocese.

### **Investments – Performance**

The value of the investment portfolio decreased during 2013 as a result of investments with a market value of £1,400k being sold during the year. The reduction in value from the sale of investments is offset to a large extent by an unrealised gain of £1,193k relating to an increase in the underlying value of the investments held in the year.

During the year, some of the business of Newton Investment Managers Ltd was acquired by Standard Life Wealth Ltd and subsequently the Archdiocesan fund's previously managed by Newton Investment Managers Ltd were transferred to and managed by Standard Life Wealth Limited following this change.

<i>Market Value</i>	<i>FTSE All Share Index</i>	<i>Brewin Dolphin £'000</i>	<i>Standard Life £'000</i>	<i>Investec £'000</i>	<i>Shares held separately £'000</i>
At December 2012	3,093	2,191	6,187	3,471	69
At December 2013	3,609	2,175	5,710	3,822	67
Percentage change in year	16.6%	(0.7%)	(7.7%)	10.1%	(2.9%)

The short-term uncertainties of stock market investments should be acknowledged, but equities remain the long-term champions of real growth in income and capital and it is hoped that the markets will continue to provide stability for the immediate and long term future.

### **Reserves**

It is Archdiocesan policy to increase our Unrestricted Funds in order to provide support to the parishes and the administration of the Archdiocese. As with previous years, it is essential that provision is made for the future as, at present, our income is insufficient to meet our commitments. Our Restricted and Endowment Funds given for specific purposes are detailed in notes 17 and 18 to the accounts.

### **The Chris and Annie Van der Rydt Trust**

In accordance with the Declaration of Trust Purposes, the Archbishop is given total discretion regarding the use of the funds of The Chris and Annie Van der Rydt Trust and although the declaration makes reference to Church projects including the fabric or building of St Mary's Cathedral, the Archbishop is primarily directed to hold and use the funds for the general needs of the Roman Catholic Church in the Archdiocese of St Andrews and Edinburgh. The Archbishop can use the whole or any part of the capital and/or income of the fund for such purposes.

# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## TRUSTEES' REPORT 2013

### Financial Review (contd.)

Therefore, the funds of The Chris and Annie Van der Rydt Trust are considered to be unrestricted and a prior year adjustment has been included in these Accounts to reclassify the funds of the Chris and Annie Van der Rydt Trust from curial endowment funds to curial unrestricted funds at 31 December 2013. The value of The Chris and Annie Van der Rydt Trust fund reclassified from endowment to unrestricted funds at 31 December 2012 was £411k.

#### **Investments – Policy**

The Trustees have the power to invest in such stocks, shares, investments and property as they see fit. It is the Trustees' policy to invest in the Stock Market to obtain a balanced return combining capital and income growth to protect the real value of both capital and income. These investments will seek to achieve this by investing in a range of assets suitable for the investment of charitable monies, which will take account of our ethical requirements. The Trustees will not invest in anything that is contrary to the moral and ethical teachings of the Roman Catholic Church.

#### **Grant Making**

It is Archdiocesan policy to award grants to all retiring Archdiocesan clergy in addition to a monthly retirement allowance.

Grants may be made to any parish which requires financial support, after a review by the relevant committees and Trustees.

The Trustees also award grants from the special collection Care Fund.

#### **Parish Accounts**

The Parish Accounts are included in the Archdiocesan Accounts in order to reflect the overall financial position of the Archdiocese as required by charity legislation. The Trustees extend their thanks to the Parish Priests and their finance committees for their co-operation and efforts in assisting with this obligation.

### Risk Assessment

The Trustees have assessed the major risks to which the charity is exposed and systems have been established to mitigate them.

#### **Governance**

The Trustees are aware of the need to review, update and document policies, procedures and guidance to enable the efficient and effective governance of the Archdiocese to continue. On an on-going basis the Trustees have established a Governance Group to consider various matters and to produce and recommend to the Trustees various governance documents and policies for approval.

One of the key areas the Trustees have been keen to address is the need to appoint more Trustees, including lay trustees. The number of Trustees increased from three to six during 2013, including the appointment of one lay Trustee.

Following 31 December 2013 two trustees have resigned and at the date of these Accounts being approved there are four Trustees.

#### **Financial**

The Archdiocese being a charitable institution is totally reliant on the generosity of its members.

As in previous recent years, the problem of falling Mass attendance combined with the current difficult and uncertain economic climate could seriously diminish the level of income which the Archdiocese can hope to attain.

In addition, the reduction in the numbers of clergy means that the utilisation of the laity at both parish and diocesan level will inevitably increase the cost base of the Archdiocese. The continuing escalation of costs to maintain and repair our church properties is an ongoing expense which, in many cases, has to be borne by the Archdiocese. This in turn has prompted the need to review and limit capital expenditure across the Archdiocese.

The strain on the central financial resources of the Archdiocese remains great and the Archdiocese relies heavily on loans it receives from parishes in the Archdiocese to be able to fund capital projects.



TRUSTEES' REPORT 2013

**Risk Assessment (contd.)**

**Health & Safety**

Health and Safety legislation continues to place additional compliance requirements on the Archdiocese. This legislation, which is obligatory for all parishes and organisations, will involve additional expenditure to ensure compliance.

**Child Protection & Vulnerable Adult Policy**

The Archdiocese, in conjunction with the other Scottish Dioceses, follows the policy formulated by the Episcopal Conference of Scotland and the Scottish Government. This sets out the guidelines for all organisations and individual volunteers throughout Scotland and the Trustees expect that all people within the Church community of the Archdiocese comply with this policy and its guidelines to prevent the physical, sexual, emotional abuse or neglect of children, young people and adults at risk.

**Strategic Plan**

The development of a pastoral plan following a period of review is ongoing and this will subsequently inform and give direction to the development of a strategic plan in due course.

**Future Plans**

The Archdiocese continues to promote the Gospel of Christ, in accordance with the teachings of the Catholic Church, and to carry out the mission of the Church throughout the Archdiocese of St Andrews & Edinburgh.

This will be carried out through the continuation of its current activities and the development of further plans to enable the work of the Church to be fulfilled.

The Trustees and their advisors continue to monitor the financial position of the Archdiocese to ensure that the stewardship of resources and the availability of funds to meet commitments is managed for the long term welfare of the Archdiocese.

Whilst the Archdiocese has a large capital requirement over the next few years, it is proposed that capital expenditure will continue to be limited for all projects except essential maintenance and health and safety projects until the financial position is more stable. The Trustees and their advisors continue to pursue and develop strategies to address the issues previously mentioned.

The requirements of OSCR (Office of Scottish Charity Regulator) and the SORP 2005 (Statement of Recommended Practice), in conjunction with the requirements of Canon Law, continue to form the basis for the financial controls and governance of the Archdiocese.

In conclusion, the Trustees wish to thank all Archdiocesan personnel, both clergy and laity, for their hard work during 2013 with a special word of thanks given to the many volunteers throughout the Archdiocese for their continued involvement. Without this involvement the Archdiocese would not function as effectively and it is hoped that this involvement will continue to grow and become even stronger in future.

TRUSTEES' REPORT 2013

**Statement of Trustees Financial Responsibilities**


The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements, comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the terms of the charity's Founding Deed. The applicable law also sets out the Trustees' responsibilities for the preparation and content of the Trustees Annual Report. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Signed on behalf of the Trustees**



**Alistair Lawson**  
Trustee

2 JULY 2014

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

We have audited the Accounts of The Roman Catholic Archdiocese of St Andrews and Edinburgh for the year ended 31 December 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the Trustees are responsible for the preparation of Accounts which give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the Accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the Accounts sufficient to give reasonable assurance that the Accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the Accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited Accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on Accounts

In our opinion the Accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2013, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the Accounts; or
- proper accounting records have not been kept; or
- the Accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### Chiene+Tait

Chartered Accountants and Statutory Auditor  
61 Dublin Street  
Edinburgh EH3 6NL



2 July 2014

Chiene+Tait is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2013

	Notes	Parishes			Curial				2013 Total Funds £'000	Restated 2012 Total Funds £000
		Un- restricted Funds £'000	Restricted Funds £'000	Total Funds £'000	Un- restricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Total Funds £'000		
<b>INCOMING RESOURCES:</b>										
Incoming resources from Generated Funds										
Voluntary income	2	5,022	558	5,580	363	67	-	430	6,010	6,595
Activities for generating funds	3	769	-	769	-	-	-	-	769	786
Investment income	4	106	-	106	500	56	94	650	756	745
Incoming resources from charitable activities	5	515	-	515	331	89	-	420	935	1,095
Other income – gains on disposal of fixed assets		9	-	9	-	-	-	-	9	11
<b>TOTAL INCOMING RESOURCES</b>		<b>6,421</b>	<b>558</b>	<b>6,979</b>	<b>1,194</b>	<b>212</b>	<b>94</b>	<b>1,500</b>	<b>8,479</b>	<b>9,232</b>
<b>RESOURCES EXPENDED:</b>										
Cost of generating funds										
Fundraising and other costs		83	-	83	-	-	-	-	83	95
Investment managers' fees		-	-	-	40	5	7	52	52	41
Charitable activities	7, 8	5,641	289	5,930	1,415	869	-	2,284	8,214	8,349
Governance costs	10	-	-	-	37	-	-	37	37	36
Other expenditure – loss on disposal of fixed assets		279	-	279	-	-	-	-	279	-
<b>TOTAL RESOURCES EXPENDED</b>		<b>6,003</b>	<b>289</b>	<b>6,292</b>	<b>1,492</b>	<b>874</b>	<b>7</b>	<b>2,373</b>	<b>8,665</b>	<b>8,521</b>
<b>NET (OUTGOING)INCOMING RESOURCES BEFORE TRANSFERS</b>		<b>418</b>	<b>269</b>	<b>687</b>	<b>(298)</b>	<b>(662)</b>	<b>87</b>	<b>(873)</b>	<b>(186)</b>	<b>711</b>
Gross transfers between funds:										
Parish Assessment, levies and special collections	17, 18, 19	(470)	(269)	(739)	326	413	-	739	-	-
<b>NET (OUTGOING)INCOMING RESOURCES AFTER TRANSFERS</b>		<b>(52)</b>	<b>-</b>	<b>(52)</b>	<b>28</b>	<b>(249)</b>	<b>87</b>	<b>(134)</b>	<b>(186)</b>	<b>711</b>
Realised gains on sale of investments		-	-	-	104	1	33	138	138	4
<b>NET (DEFICIT)SURPLUS FOR THE YEAR</b>		<b>(52)</b>	<b>-</b>	<b>(52)</b>	<b>132</b>	<b>(248)</b>	<b>120</b>	<b>4</b>	<b>(48)</b>	<b>715</b>
Unrealised gains/(losses) on revaluation of properties		-	-	-	172	(100)	-	72	72	-
Unrealised gains on investments	14	-	-	-	765	189	239	1,193	1,193	643
<b>NET MOVEMENT ON FUNDS</b>		<b>(52)</b>	<b>-</b>	<b>(52)</b>	<b>1,069</b>	<b>(159)</b>	<b>359</b>	<b>1,269</b>	<b>1,217</b>	<b>1,358</b>
Funds brought forward as previously stated	17, 18, 19	27,571	-	27,571	11,859	3,558	2,361	17,778	45,349	43,991
Prior year adjustment	12, 19	1,783	-	1,783	411	-	(411)	-	1,783	1,783
Funds brought forward as restated	17, 18, 19	29,354	-	29,354	12,270	3,558	1,950	17,778	47,132	45,774
<b>FUNDS CARRIED FORWARD</b>	<b>20</b>	<b>29,302</b>	<b>-</b>	<b>29,302</b>	<b>13,339</b>	<b>3,399</b>	<b>2,309</b>	<b>19,047</b>	<b>48,349</b>	<b>47,132</b>

All of the Archdiocese activities are continuing. The notes on pages 13 to 27 form part of these accounts.

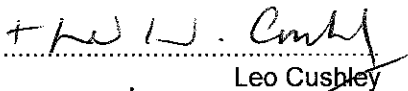
THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

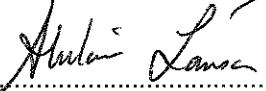
BALANCE SHEET


As at 31 December 2013

	Notes	£'000	2013 £'000	£'000	Restated 2012 £'000
<b>Fixed Assets</b>					
Tangible fixed assets	12		26,627		26,610
Heritage assets	13		1,053		1,053
Investments	14		11,774		11,918
<b>Total Fixed Assets</b>			<b>39,454</b>		<b>39,581</b>
<b>Current Assets</b>					
Debtors	15	141		220	
Cash at bank and in hand		9,148		8,198	
<b>Total Current Assets</b>		<b>9,289</b>		<b>8,418</b>	
<b>Liabilities</b>					
<b>Creditors:</b> amounts due within one year	16	(394)		(867)	
Net current assets			8,895		7,551
<b>Net Assets</b>			<b>48,349</b>		<b>47,132</b>
<b>The Funds of the Charity:</b>					
Curial endowments	17		2,309		1,950
Curial restricted funds	18		3,399		3,558
Curial unrestricted funds	19		13,339		12,270
Parish unrestricted funds	19		29,302		29,354
<b>Total Charity Funds</b>	20		<b>48,349</b>		<b>47,132</b>

Approved by the Trustees on 2 JULY 2014

  
 ..... Trustee  
 Leo Cushey

  
 ..... Trustee  
 Alistair Lawson

  
 ..... Trustee  
 Philip Kerr

The notes on pages 13 to 27 form part of these accounts.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

CASH FLOW STATEMENT

For the year ended 31 December 2013

	Note	£'000	2013 £'000	£'000	2012 £'000
<b>Net cash (outflow)/inflow from operating activities</b>	23		(444)		62
<b>Returns on investments and servicing of finance</b>					
Interest and investment income received		756		745	
		-----		-----	
<b>Net cash inflow from returns on investments and servicing of finance</b>			756		745
<b>Capital expenditure and financial investment</b>					
Payments to acquire fixed assets		(636)		(272)	
Payments to acquire investments		(1,895)		(5,153)	
Receipts from the sale of fixed assets		232		22	
Receipts from the sale of investments		3,371		5,053	
		-----		-----	
<b>Net cash inflow/(outflow) from capital expenditure and investments</b>			1,072		(350)
			-----		-----
<b>Increase in cash in the year</b>	24,25		1,384		457
			=====		=====

The notes on pages 13 to 27 form part of these accounts.

# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## NOTES to the ACCOUNTS

### For the year ended 31 December 2013

#### 1 Accounting Policies

##### **Basis of preparation**

The Roman Catholic Archdiocese of St Andrews and Edinburgh is recognised as a Scottish Charity (No. SC008540) and the accounts are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, on an accruals basis and comply in every material respect with the Statement of Recommended Practice - Accounting and Reporting by Charities (2005) and the Charities Accounts (Scotland) Regulations 2006 (as amended). Parishes are considered to be part of the charity, and accordingly parish income, expenditure, assets and liabilities are reflected in the financial statements.

##### **Going concern**

The financial statements have been prepared on a going concern basis. The trustees have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

##### **Offertory and Special Collections Income**

Offertory and Special Collections Income is credited to the Statement of Financial Activities in the year in which it is receivable.

##### **Donations and Legacies**

Legacies are credited to the Statement of Financial Activities in the year in which they are receivable.

##### **Grants**

Grants are credited to the Statement of Financial Activities in the year in which they are receivable.

##### **Income from Investments**

Dividends and interest are credited to the Statement of Financial Activities in the year in which they are receivable.

##### **Activities for generating funds**

Activities for generating funds are credited to the Statement of Financial Activities in the year in which they are receivable.

##### **Resources expended**

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of generating funds are those associated with generating incoming resources, and charitable activities costs are those expended on meeting the Archdiocese's objectives.
- Charitable activities include expenditure associated with meeting the Archdiocese's primary objectives and include both the direct costs and the support costs relating to these activities.
- Governance costs are those of a constitutional, strategic, or statutory nature with respect to the general running of the Archdiocese, rather than day to day management.
- Costs directly attributable to charitable activities and governance are allocated to the appropriate activity. Support costs, including staff costs, which cannot be directly attributed to an activity are allocated on the basis of an estimate of the time or resource expended on each activity.

##### **Tangible Fixed Assets**

All fixed assets, other than investment properties, have been capitalised either at cost or, where no cost is available, at a reasonable estimate of value at the date of capitalisation. Depreciation is provided where appropriate in equal annual instalments over the estimated useful lives of the assets.

Certain assets which are inalienable and historic have not been capitalised or depreciated. While these assets are functional, due to their nature, cost information is unavailable and conventional valuation techniques cannot be applied. Consequently, no reliable value can be attributed to these assets.

# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## NOTES to the ACCOUNTS (Contd.)

### For the year ended 31 December 2013

#### 1 Accounting Policies (Contd.)

##### **Heritage assets**

Assets that, in the opinion of the Trustees, meet the definition of heritage assets under Financial Reporting Standard 30 ("FRS 30"), where appropriate, relevant and reliable valuation information is available, have been included in the balance sheet.

Depreciation is not charged on heritage assets as they are maintained in good condition and therefore considered to have indefinite useful lives.

Further details of the assets are disclosed in note 13 to the financial statements.

##### **Depreciation**

Heritable properties:-

Financial Reporting Standard (FRS) 15 requires all assets to be depreciated over their estimated economic life, taking account of any residual value of the assets. Heritable properties are considered to have a high residual value and a useful economic life in excess of 50 years. The depreciation charge is therefore immaterial and no charge has been made.

Where no charge for depreciation is made and where the useful economic life exceeds 50 years an impairment review should be carried out on an annual basis. Such a review has been performed and the Trustees are satisfied that the value of the properties under FRS 11 is not less than the carrying value in the financial statements.

Depreciation has been charged on the other fixed assets as follows:-

Furnishings and equipment	-	25% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis

These rates are calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful life. Land valued in the accounts is not depreciated.

Items of equipment are capitalised where the purchase price exceeds £3,000.

##### **Investment Properties**

Investment properties are included in the balance sheet at open market value. In accordance with SSAP 19, depreciation is not provided on investment properties that are held as freehold investment properties. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot reasonably be separately identified or quantified.

##### **Investments**

In order to comply with the Statement of Recommended Practice investments are included in the balance sheet at market value at the year end; the unrealised gain or loss for the year being applied to the relevant fund. Gains or losses arising on the realisation of investments are applied to the income and expenditure account in the year in which the investments are realised.

##### **Pensions**

The Archdiocese operates one defined contribution pension scheme. Contributions to the scheme are charged to the Statement of Financial Activities. In addition, the Archdiocese accepts the responsibility to assist retired priests where possible under obligations arising from Canon Law. In accordance with this responsibility the Archdiocese provides accommodation and gratuities where appropriate. Amounts paid in respect of these obligations are financed by special collections and the Archdiocesan reserves, but are ultimately unfunded. Further details are included in notes 21 and 26 to the accounts.



# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## NOTES to the ACCOUNTS (Contd.)

### For the year ended 31 December 2013

#### 1 Accounting Policies (Contd.)

##### Fund Accounting

The nature and purpose of each restricted and designated fund is explained in note 20.

Unrestricted funds represent the funds which the Trustees are free to use in accordance with the charitable objects.

Designated funds are unrestricted funds designated for particular purposes by the Trustees.

Restricted funds are derived from legacies, bequests and donations which were donated for specific purposes. The Trustees may only use these restricted funds for the purpose for which they were given.

Endowment funds are invested in investments, the income from which is used for the normal operation of the charity, and must be spent in accordance with the terms of the endowment.

<b>2 Voluntary income</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Donations	607	714
Legacies	110	476
Special collections income	558	508
Offertory collections and gift aid	4,196	4,384
Miscellaneous collections and donations	197	188
Grants received	342	325
	=====	=====
	6,010	6,595
	=====	=====
<b>3 Activities for generating funds</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Fundraising and parish hall and other property income	769	786
	=====	=====
<b>4 Investment Income</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Income from listed investments	401	362
Bank interest receivable	4	7
Other interest receivable	5	4
Rental income from investment properties	346	372
	=====	=====
	756	745
	=====	=====

**THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH**

**NOTES to the ACCOUNTS (Contd.)**

**For the year ended 31 December 2013**

<b>5 Incoming resources from charitable activities</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Gillis Centre income	271	232
Cathedral complex income	202	218
Mount Vernon cemetery income	96	95
Mount Vernon insurance income	-	187
Church stall	289	318
Chaplaincy income	54	37
Courses and workbook income	23	8
	<b>935</b>	<b>1,095</b>

<b>6 Staff Costs</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<i>Diocese</i>		
Wages and salaries	651	633
Social security costs	53	44
Pension costs	18	17
	<b>722</b>	<b>694</b>
Wages and salaries – parishes	440	434
	<b>1,162</b>	<b>1,128</b>

No employee receives remuneration in excess of £60,000.

	<b>No</b>	<b>No</b>
Average number of employees for curial and parish activities during the year (full-time equivalent)	52	54

The above numbers include lay men and women and religious sisters who were employed on a full-time basis but excludes parish priests. Priests who perform administrative duties for the Archdiocese do not receive remuneration for their services.

Six Trustees (2012: three) in respect of their work as parish priests have received remuneration from the Archdiocese during the year. The Archbishop, in respect of his work as Archbishop of the Archdiocese has received remuneration from the Archdiocese during the year.

Their remuneration from the Archdiocese during the year was as follows:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Most Reverend Leo Cushley (appointed 21/09/2013)	740	-
Most Reverend Philip Tartaglia (appointed 27/04/2013, resigned 21/09/2013)	-	-
His Eminence Keith Patrick Cardinal O'Brien (resigned 25/02/2013)	410	2,600
Right Reverend Monsignor Alistair Canon Lawson	2,680	2,600
Right Reverend Monsignor Philip Kerr	2,680	2,600
Right Reverend Monsignor Patrick Burke (appointed 18/12/2013)	100	-
Bishop Stephen Robson (appointed 24/04/2013, resigned 01/01/2013)	1,850	-
Helen Gardner-Swift (appointed 24/04/2013, resigned 22/04/2014)	-	-

During the year, no expenses incurred in attending Trustee meetings were reimbursed to the Trustees. The Archdiocese has insurance to protect the Archdiocese from loss arising from neglect or default of its Trustees and insurance to indemnify the Trustees against the consequences of neglect or default on their part. The Trustees are also entitled to assistance in their retirement as detailed in note 26. This remuneration is permitted under the provisions of Canon Law.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

**For the year ended 31 December 2013**

<b>7 Parish charitable activities</b>	<b>2013</b>	<b>2012</b>
	<i>£'000</i>	<i>£'000</i>
<i><b>Direct charitable activities</b></i>		
Special collections remitted	289	198
Travel and car expenses	212	210
Repairs and renovations	1,274	1,397
Church costs	1,397	1,441
Hall costs	225	249
Priests' house costs	993	980
Insurance	222	203
Retreats and courses	124	123
Donations	94	150
Clergy, staff salaries and national insurance	593	555
	-----	-----
	5,423	5,506
	-----	-----
<i><b>Support costs of charitable activities</b></i>		
Depreciation	171	167
Professional and legal fees	12	10
Office and stationery	242	239
Interest payable	2	1
Miscellaneous	80	82
	-----	-----
	507	499
	-----	-----
<b>Total parish charitable activities</b>	5,930	6,005
	=====	=====
<b>8 Diocesan charitable activities</b>	<b>2013</b>	<b>2012</b>
	<i>£'000</i>	<i>£'000</i>
<i><b>Direct charitable activities</b></i>		
Staff salaries and national insurance	54	59
Education of priests and students	124	182
Grants paid (note 11)	79	77
Special collections	142	159
Religious education and chaplaincies	328	286
Mount Vernon cemetery costs	35	191
	-----	-----
	762	954
	-----	-----
<i><b>Support costs of charitable activities</b></i>		
Curial administration expenses	307	291
Curial property expenses	291	251
Care of sick and retired priests	325	284
Contribution to national assessments	135	134
Staff salaries and national insurance	454	426
Interest payable	10	4
	-----	-----
	1,522	1,390
	-----	-----
<b>Total Diocesan charitable activities</b>	2,284	2,344
	=====	=====
<b>Total of notes 7 and 8</b>	8,214	8,349
	=====	=====

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

<b>9 Charitable activities</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
		(as re-presented)
Advancement of Religion	4,479	4,174
Advancement of Education	2,237	2,420
Relief of Poverty	833	926
Cure/alleviation of sickness/disease	665	829
	-----	-----
	8,214	8,349
	=====	=====

Charitable activities include the direct costs of carrying out the charitable activities, along with the support costs. Support costs, where possible, have been apportioned between the associated charitable activities on the basis of estimated time spent on each activity. Otherwise support costs have been allocated to the four principal charitable objectives based on the following percentages determined by the trustees; Advancement of Religion 40% (2012; 40%), Advancement of Education 35% (2012; 35%), Relief of Poverty 15% (2012; 15%) and Cure/alleviation of sickness/disease 10% (2012; 10%). These percentages have been reviewed for reasonableness by the Trustees with 2012 represented accordingly.

<b>10 Governance costs</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Auditor's remuneration in respect of audit services	37	36
	=====	=====

The remuneration paid to the auditor in respect of other professional services amounted to £7,345 (2012: £23,269).

<b>11 Grants Paid</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
The amounts payable in the year, which are included within charitable activities, comprise:		
<b>Grants to institutions</b>		
Scottish Churches Housing	10	5
Lourdes pilgrimage	-	24
L' Arche	20	-
Scottish Marriage Care	17	29
Lifeline	5	-
Other institutional grants	27	9
	-----	-----
	79	67
<b>Grants to individuals</b>		
Adult Lay Formation	-	10
	-----	-----
	-	10
	-----	-----
<b>Total Grants Paid (note 8)</b>	<b>79</b>	<b>77</b>
	=====	=====

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

**For the year ended 31 December 2013**

<b>12 Tangible Fixed Assets</b>	<b>Investment Properties £'000</b>	<b>Land and Heritable Properties £'000</b>	<b>Furnishings and Equipment £'000</b>	<b>Motor Vehicles £'000</b>	<b>Total £'000</b>
<b>Cost or valuation</b>					
Balance brought forward as previously stated	6,107	17,354	1,724	471	25,656
Prior year adjustment	1,480	303	-	-	1,783
	-----	-----	-----	-----	-----
Balance brought forward as restated	7,587	17,657	1,724	471	27,439
Additions	-	475	14	147	636
Disposals	-	(500)	-	(86)	(586)
Revaluation	218	(146)	-	-	72
	-----	-----	-----	-----	-----
Balance carried forward	7,805	17,486	1,738	532	27,561
	-----	-----	-----	-----	-----
<b>Depreciation</b>					
Balance brought forward	-	-	491	338	829
Charge for the year	-	-	104	85	189
Disposals	-	-	-	(84)	(84)
	-----	-----	-----	-----	-----
Balance carried forward	-	-	595	339	934
	-----	-----	-----	-----	-----
<b>Net Book Value</b>					
As at 31 December 2013	7,805	17,486	1,143	193	26,627
	=====	=====	=====	=====	=====
As at 31 December 2012, as previously stated	6,107	17,354	1,233	133	24,827
Prior year adjustment	1,480	303	-	-	1,783
	-----	-----	-----	-----	-----
As at 31 December 2012 restated	7,587	17,657	1,233	133	26,610
	=====	=====	=====	=====	=====

Investment properties were independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2013 on the basis of open market value. The historic cost of the investment properties is £1,703,839 (2012: £1,683,437).

The Archdiocese owns St Mary's Cathedral together with a large number of properties throughout the 111 parishes. Most of the buildings are regarded as inalienable or historic assets, and while functional, no reliable cost information is available nor conventional valuation techniques possible. As a result, these properties are therefore excluded from the values above.

The heritable property portfolio was independently valued by Ryden LLP, Chartered Surveyors, as at 31 December 2013 for impairment review purposes and to inform the Trustees on current values.

In the course of conducting the valuation of investment and heritable properties at 31 December 2013, a number of properties were identified that were not previously included within the amount recognised in the Annual Report and Accounts. These properties have now been recognised for the first time, and included in these Accounts as a prior year adjustment. The prior year adjustment for investment properties is £1,480,000, and for heritable properties is £303,000.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

**13 Heritage Assets**

	<b>Parishes</b> £'000	<b>Curial</b> £'000	<b>Total</b> £'000
<b>Valuation</b>			
At 1 January 2013 and at 31 December 2013	689	364	1,053

There were no additions or disposals of heritage assets in the last five years.

The Trustees consider the following to fall within the definition of heritage assets under Financial Reporting Standard 30.

Artworks and artefacts and historic treasures

The Archdiocese is in possession of a variety of artworks, artefacts and historic treasures which have been commissioned or donated to the Diocese and Parishes over many years, and are held for both their historical and artistic significance. Their significance derives from association with the history of the Archdiocese, the Roman Catholic Church in Scotland, or Scottish art in general.

The Trustees have assessed where practicable the charity's heritage assets and have accounted for these assets where, in their opinion, reliable values are available. Other items identified have not been included because the Trustees consider that no reliable values can be attributed. The definition of heritage assets also excludes fixed assets held for functional purpose such as religious worship and as a result, altars, tabernacles, relics, vestments and crucifixes are not included in the above value.

Management, preservation, valuation

Departments within the Archdiocesan Curia advise the Trustees and have responsibility for ensuring that the heritage assets are appropriately catalogued, maintained in good condition and covered by insurance. The condition and completeness of the heritage assets is reviewed periodically and is ongoing and reasonable access to the public is available on request. It is not the general policy of the Diocese to dispose of heritage assets and acquisitions are not currently made.

The heritage assets were valued in accordance with the accounting policies in note 1 as at 31 December 2013.

<b>14 Investments</b>	<b>2013</b> £'000	<b>2012</b> £'000
Market value at beginning of year	11,918	11,171
Additions	1,895	5,153
Disposals	(3,232)	(5,049)
Unrealised gain	1,193	643
Market value at end of year	11,774	11,918
Cost at 31 December 2013	10,107	10,645

All investments are listed and dealt on a recognised stock exchange.

Investments at market value comprised:-	<b>2013</b> £'000	<b>2012</b> £'000
Investments held in the UK	10,802	11,312
Investments held out with the UK	972	606
	11,774	11,918

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

**14 Investments (contd.)**

Investments include the following investments which are greater than 5% of the portfolio valuation.

	£'000	
SRI Fund for Charities	2,340	
	=====	
<b>15 Debtors</b>	<b>2013</b>	<b>2012</b>
	£'000	£'000
Other debtors	141	220
	=====	=====
<b>16 Creditors: amounts due within one year</b>	<b>2013</b>	<b>2012</b>
	£'000	£'000
Bank overdraft	-	434
Accruals	112	138
Other creditors	282	295
	-----	-----
	394	867
	=====	=====

**17 Curial Endowments**

	Restated as at 01 January 2013 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers Between Funds £'000	Revaluation, Realised and Unrealised gains/ (losses) on Investments £'000	Balance at 31 December 2013 £'000
Funds for special purposes	1,950	94	(7)	-	272	2,309
	=====	=====	=====	=====	=====	=====

The funds of 'The Chris and Annie Van der Rydt Trust' which were previously included as part of the curial endowment funds in the Annual Report and Accounts for 2012, have subsequently been reviewed and are now considered to be unrestricted funds. A prior year adjustment has been included in these Accounts to reclassify the funds of The Chris and Annie Van der Rydt Trust from curial endowment funds to curial central funds, part of the curial unrestricted funds, at 31 December 2012. The value of The Chris and Annie Van der Rydt Trust fund reclassified from endowment to unrestricted funds at 31 December 2012 is £411k.

The opening balance on 'curial endowment funds' was restated as follows,

	£'000
Curial opening endowment funds as previously stated	2,361
Prior year adjustment (reclassification of 'The Chris and Annie Van der Rydt Trust' fund)	(411)
	-----
Curial opening endowment funds restated	1,950
	=====

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

18 Restricted Funds

	Balance as at 01 January 2013 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers Between Funds £'000	Revaluation, Realised and Unrealised gains/ (losses) on Investments £'000	Balance at 31 December 2013 £'000
<i>Curial:</i>						
Special collections	387	-	(267)	167	-	287
Ecclesiastical Education fund	-	-	(90)	90	-	-
Aged and Infirm Clergy fund	1,281	31	(300)	71	(49)	1,034
Taggart Bursary	5	-	-	-	-	5
Rev J C Barry Trust	16	-	-	-	-	16
Cathedraticum	-	-	(16)	16	-	-
Mount Vernon	759	99	(94)	-	53	817
Vocations	65	-	-	3	-	68
SPRED	22	-	(9)	66	-	79
Mission fund	604	12	(19)	-	68	665
Sick Priests fund	60	1	(3)	-	-	58
Margaret Sinclair fund	75	2	(3)	-	18	92
Friendly Society	3	-	(2)	-	-	1
Farquharson fund	17	-	-	-	-	17
Stipend fund	10	-	(4)	-	-	6
Porticus Trust	-	67	(67)	-	-	-
Adult Lay Formation	254	-	-	-	-	254
<b>Total curial restricted funds</b>	<b>3,558</b>	<b>212</b>	<b>(874)</b>	<b>413</b>	<b>90</b>	<b>3,399</b>
Parish restricted funds	-	558	(289)	(269)	-	-



THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

**19 Unrestricted Funds**

	Restated as at 01Jan 2013 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers Between Funds £'000	Realised And Unrealised Gains/ (Losses) £'000	Balance at 31 December 2013 £'000
Designated funds:-						
Development fund	135	-	-	-	-	135
Building Reserve fund	158	-	-	-	-	158
Parish Support fund	5	-	-	-	-	5
Gains on sale of heritable property	372	-	(279)	-	-	93
	670	-	(279)	-	-	391
Other unrestricted funds:						
Curial central fund	8,265	1,194	(1,213)	326	869	9,441
Curial Revaluation fund	3,335	-	-	-	172	3,507
Total curial unrestricted funds	12,270	1,194	(1,492)	326	1,041	13,339
Parish unrestricted fund	29,354	6,421	(6,003)	(470)	-	29,302

**Prior year adjustments**

The opening balance on 'Parish unrestricted funds' was restated as follows,

	£'000
Parish opening unrestricted funds as previously stated	27,571
Prior year adjustment (note12)	1,783
Parish opening Unrestricted funds restated	29,354

The opening balance on the 'Curial central fund' was restated as follows,

	£'000
Curial opening central fund as previously stated	7,854
Prior year adjustment (note17)	411
Curia opening central fund restated	8,265

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

<b>20 Analysis of Net Assets between Funds</b>	<b>Tangible Fixed Assets £'000</b>	<b>Heritage Assets £'000</b>	<b>Invest- ments £'000</b>	<b>Net Current Assets/ (Liabilities) £'000</b>	<b>Total £'000</b>
Endowments:-					
Funds for Special Purposes	500	-	2,581	(772)	2,309
Restricted Funds:					
Special collections	-	-	-	287	287
Aged and Infirm Clergy Fund	150	-	592	292	1,034
Taggart Bursary	-	-	-	5	5
Rev. J C Barry Trust	-	-	-	16	16
Mount Vernon	-	-	444	373	817
Vocations	-	-	-	68	68
SPRED	-	-	-	79	79
Mission Fund	-	-	568	97	665
Sick Priests Fund	-	-	50	8	58
Margaret Sinclair	-	-	101	(9)	92
Friendly Society	-	-	-	1	1
Farquharson Fund	-	-	-	17	17
Stipend Fund	-	-	-	6	6
Adult Lay Formation Fund	-	-	-	254	254
	150	-	1,755	1,494	3,399
Unrestricted Funds:					
Designated Funds:					
Development Fund	-	-	-	135	135
Building Reserve Fund	-	-	-	158	158
Parish Support Fund	-	-	-	5	5
Gains on sale of Heritable Property	-	-	-	93	93
	-	-	-	391	391
Other Unrestricted Funds:					
Curial Central Fund	5,084	-	7,438	(3,081)	9,441
Revaluation Fund	3,143	364	-	-	3,507
Total curial unrestricted funds	8,227	364	7,438	(2,690)	13,339
Total parish unrestricted funds	17,750	689	-	10,863	29,302
<b>Total</b>	<b>26,627</b>	<b>1,053</b>	<b>11,774</b>	<b>8,895</b>	<b>48,349</b>

# THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## NOTES to the ACCOUNTS (Contd.)

### For the year ended 31 December 2013

#### **20 Analysis of Net Assets between Funds (Contd.)**

##### Endowment Funds

1 Funds for Special Purposes

These funds have been given to the Archdiocese for the exclusive benefit of certain clearly defined specific purposes, relating to the charity's general charitable objectives.

##### Other Restricted Funds

2 Special Collections

These funds represent the balance of collections taken up in the parishes of the Archdiocese for particular causes due to be remitted as at the year end.

3 Ecclesiastical Education Fund

This fund relates to the training of students for the priesthood.

4 Aged and Infirm Clergy Fund

This fund is for the care and support of clergy who have retired from active service due to age or ill-health.

5 Taggart Bursary

This fund is to be used for four Edinburgh students in Rome or Spain to study at the Scots College.

6 Rev J C Barry Trust

This fund is to be used to send Edinburgh students to the Holy Land, preferably to study on a recognised course.

7 Cathedraticum

This fund helps to meet the costs of the Cardinal's office.

8 Mount Vernon Fund

This fund is to be used for the maintenance of Mount Vernon Cemetery in Edinburgh.

9 Vocations Fund

This fund is to be used to meet expenses incurred in promoting vocations to the priesthood.

10 SPRED

This fund is to be used to provide assistance to allow disabled people to take their rightful place in the parish community.

11 Mission Fund

This fund is to be used for the benefit of Archdiocesan clergy.

12 Sick Priests Fund

This fund is to be used for the care of sick priests.

13 Margaret Sinclair Fund

This fund is for costs incurred in pressing the case for Margaret Sinclair to become canonised.

14 Friendly Society

This fund is to be used for the relief of poverty of Archdiocesan clergy.

15 Farquharson Fund

This fund is to be used for the benefit of Archdiocesan clergy.

16 Stipend Fund

This fund is to be used for redistribution of stipend money.

17 Porticus Trust

This fund receives grants to support particular activities and projects within the Archdiocese.

THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

NOTES to the ACCOUNTS (Contd.)

For the year ended 31 December 2013

**20 Analysis of Net Assets between Funds** (Contd.)

18 Adult Lay Formation

These funds represent amounts set aside by the Trustees to fund expenditure on lay people.

Designated Funds

19 Development Fund

This fund is for future capital projects of the Archdiocese.

20 Parish Support Fund

This fund represents amounts set aside by the Trustees for administrative assistant for parishes.

21 Gains on Sale of Heritable Properties

This fund represents the accumulated net gains realised on the disposal of property for future property costs.

22 Building Reserve Fund

This fund represents amounts set aside by the Trustees for future building projects.

**21 Pension commitments**

The Archdiocese operates one defined contribution pension scheme. The assets of the scheme are held separately from those of the Archdiocese in independently administered funds. The pension cost charge represents contributions payable by the Archdiocese to the funds and amounted to £17,797 in the year (2012: £17,016).

**22 Capital and major repairs commitments**

	<b>2013</b>	<b>2012</b>
	£'000	£'000

Amount contracted for but not provided in the accounts

275	556
=====	=====

The above commitments are shown net of grant funding to be received.

**THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH**

**NOTES to the ACCOUNTS (Contd.)**

**For the year ended 31 December 2013**

**23 Reconciliation of net surplus to net cash (outflow)/inflow from operating activities**

	<b>2013</b>	<b>2012</b>
	<i>£'000</i>	<i>£'000</i>
Net (deficit)/surplus for the year	(48)	715
Interest and investment income	(756)	(745)
Depreciation	189	173
Assets donated	-	(200)
Gain on disposals of investments	(138)	(4)
Loss/(gain) on disposal of other fixed assets	270	(11)
Decrease in debtors	79	10
(decrease)/increase in creditors	(40)	124
	-----	-----
Net cash inflow/(outflow) from operating activities	(444)	62
	=====	=====

**24 Reconciliation of net cash flow to movement in funds**

	<b>2013</b>	<b>2012</b>
	<i>£'000</i>	<i>£'000</i>
Increase in cash in the year	1,384	457
	-----	-----
Change in funds	1,384	457
Net funds at beginning of year	7,764	7,307
	-----	-----
Net funds at end of year	9,148	7,764
	=====	=====

**25 Analysis of changes in funds**

	<b>At</b>		<b>At</b>
	<b>1 January</b>	<b>Cash</b>	<b>31 Dec</b>
	<b>2013</b>	<b>flows</b>	<b>2013</b>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cash at bank and in hand	8,198	950	9,148
Bank overdraft	(434)	434	-
	-----	-----	-----
	7,764	1,384	9,148
	=====	=====	=====

**26 Contingent liability**

In accordance with its responsibilities under Canon Law the Archdiocese provides support, accommodation and gratuities where appropriate to former priests of the Parish, through the operation of the restricted fund for the Aged and Infirm Clergy.

Whilst it is expected that the commitments of the Aged and Infirm Clergy fund will increase in the near future, due to annual variations in the number of parish priests qualifying for assistance, together with a variable age of retirement, a reliable estimate of future commitments regarding this item of expenditure is not available, and accordingly no provision has been made in these financial statements.

For the year ended 31 December 2013 the total amount of funding provided for the care of the Aged and Infirm Clergy amounted to £300,000 (2012: £253,000).

**27 Post Balance Sheet Events**

Subsequent to the year end, a church building was disposed of for £111,000.

## THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## DETAILED INCOME and EXPENDITURE ACCOUNT

For the year ended 31 December 2013

	Total 2013 £'000	Total 2012 £'000
<b>Income</b>		
Investment income	756	745
Gillis Centre income	271	232
Special collections income	558	508
Legacies	110	476
Donations	607	714
Offertory collections and gift aid	4,196	4,384
Fundraising and hall rental	769	786
Church stall	289	318
Cathedral complex income	202	218
Grants received	342	325
Miscellaneous	197	188
Mount Vernon cemetery income	96	95
Mount Vernon insurance income	-	187
Chaplaincy income	54	37
Courses and workbooks	23	8
Gain on disposal of fixed assets	9	11
<b>Total income</b>	<b>8,479</b>	<b>9,232</b>
<b>Expenditure</b>		
<u>Direct charitable expenditure:</u>		
Staff costs	647	614
Special collections and donations	525	507
Education of priests and students	124	182
Grants paid	79	77
Mount Vernon cemetery costs	35	191
Property expenses	4,111	4,270
Religious education, chaplaincies and pastoral activities	328	286
Retreats and courses	124	123
Travel and car expenses	212	210
<u>Support costs of charitable activities:</u>		
Staff costs	454	426
Care of sick and retired priests	325	284
Contributions to national assessments	135	134
Miscellaneous	80	82
Administration expenses	301	295
Office and stationery	242	239
Property expenses	291	251
Depreciation	189	173
Interest payable	12	5
Loss on disposal of fixed assets	279	-
<u>Costs of generating funds</u>		
Investment managers' fees	52	41
Fundraising and church stall costs	83	95
<u>Governance costs</u>	37	36
<b>Total expenditure</b>	<b>8,665</b>	<b>8,521</b>
<b>Net (outgoing)/incoming resources for the year</b>	<b>(186)</b>	<b>711</b>
Realised gains on sale of investments and heritable property	138	4
<b>Net (deficit)/surplus for the year</b>	<b>(48)</b>	<b>715</b>

## THE ROMAN CATHOLIC ARCHDIOCESE OF ST ANDREWS AND EDINBURGH

## DETAILED BALANCE SHEET

As at 31 December 2013

	Parish £'000	Curial £'000	Sub-total £'000	Removed on consol. £'000	2013 £'000	2012 £'000 (restated)
<b>Fixed Assets</b>						
Tangible Fixed Assets	17,749	8,878	26,627	-	26,627	26,610
Heritage Assets	689	364	1,053	-	1,053	1,053
Investments	-	11,774	11,774	-	11,774	11,918
<b>Total Fixed Assets</b>	<b>18,438</b>	<b>21,016</b>	<b>39,454</b>	<b>-</b>	<b>39,454</b>	<b>39,581</b>
<b>Current Assets</b>						
Other debtors	143	194	337	(196)	141	220
Loans to parishes	-	2,437	2,437	(2,437)	-	-
Loans to curial	6,992	-	6,992	(6,992)	-	-
Cash at bank	7,153	1,995	9,148	-	9,148	8,198
<b>Total current assets</b>	<b>14,288</b>	<b>4,626</b>	<b>18,914</b>	<b>(9,625)</b>	<b>9,289</b>	<b>8,418</b>
<b>Liabilities</b>						
Creditors: amounts due within one year						
Other creditors	(193)	(397)	(590)	196	(394)	(867)
Loans from parishes	-	(3,438)	(3,438)	3,438	-	-
Loans from curial	(3,231)	-	(3,231)	3,231	-	-
<b>Total current liabilities</b>	<b>(3,424)</b>	<b>(3,835)</b>	<b>(7,259)</b>	<b>6,865</b>	<b>(394)</b>	<b>(867)</b>
<b>Net current assets/(liabilities)</b>	<b>10,864</b>	<b>791</b>	<b>11,655</b>	<b>(2,760)</b>	<b>8,895</b>	<b>7,551</b>
Creditors: amounts falling due after one year						
Loans from parishes	-	(3,554)	(3,554)	3,554	-	-
<b>Net assets</b>	<b>29,302</b>	<b>18,253</b>	<b>47,555</b>	<b>794</b>	<b>48,349</b>	<b>47,132</b>
<b>Funds of the charity:</b>						
Curial Endowments	-	2,309	2,309	-	2,309	1,950
Curial Restricted	-	3,399	3,399	-	3,399	3,558
Curial Unrestricted	-	12,545	12,545	794	13,339	12,270
Parish Unrestricted	29,302	-	29,302	-	29,302	29,354
<b>Total charity funds</b>	<b>29,302</b>	<b>18,253</b>	<b>47,555</b>	<b>794</b>	<b>48,349</b>	<b>47,132</b>

Balances between curial and parish are eliminated for the purposes of the full Archdiocesan balance sheet on page 11.